

**Town of Moultonborough
Major Initiatives – FY 2015
Discussion**

This section describes the major appropriations of note, initiatives for the future, and changes proposed in past practice. When looking for potential cuts or major shifts in policy, your attention is directed here.

Focus of the FY 2015 Budget

Over the past several years we have concentrated on improvements in our financial, emergency and public works management capacities as well as creating planning capacity within the Office of Development Services. Our focus this year is the continuing effort to consolidate those gains. Our specific budget, legislative and administrative proposals are addressed in capsule form below.

Town Officers:

Town Officers: The main cost driver here is the anticipated increase in legal expenses of \$20,000 is driven by cable franchise and collective bargaining negotiations.

We have also requested \$150,000 for a contingency. This includes sufficient funds for the proposed 1% Market Adjustment Factor (MAF) to the wage schedule.

Administration & Finance:

Administration: This unit is operating on a status quo program. The major expense reduction was in the Vadar support of the tax collection software. As noted above, this \$5k will pop up in 2016 in the Tax Collector's budget.

Elections: This upcoming year is the one in which we have only one election. Rather than lower the budget only to spike it the following year, I attempt to buy material or equipment we need and address other such issues with the gap that is opened up. The Clerk has requested \$1,000 for voting booths in order to ensure we have an adequate number (1 per 100 voters) in 2016. Also, for many years now we have discussed the need to codify all of our ordinances in proper legal format and catalog all of our RSA adoptions. While you may decide upon less expensive ways to do it, such as hiring a knowledgeable individual or the Town Clerk's Office making and maintaining the compilation as the Keeper of the Records, I am proposing the inclusion of \$12k to retain a service such as General Code or Municode. Estimates to maintain it thereafter range from \$2.5k to \$5k depending upon the activity of the community in adopting new ordinances.

Public Works:

Facilities - Public Safety Parking Lot: We have budgeted \$10,000 for the preliminary design and a more detailed cost estimate that will position us to request the needed reconstruction funding in FY 2016. This will build upon the borings and preliminary investigation completed previously.

Facilities - Public Safety Building: We have budgeted \$2,500 for continued monitoring of the fire bay slab. At this time, we have extended our plan to only monitor this through at least 2016 or beyond until such time as we are forced to act by dramatic new movement in the slab or we have been able to rebuild our capital reserves. Also, we do not currently have funds to tackle both the reconstruction of the parking lot and this slab and have prioritized addressing the latter.

Facilities - General Improvements: There are several planned repairs as follows:

a.)	Highway Garage - Overhead doors	\$9,000
b.)	Crack Seal/Seal Coat - Highway	\$8,500
c.)	Recreation Center Windows - Winterization	\$9,000
d.)	Highway Department - Office Remodel	\$9,800
e.)	Neck Road - General Notification System	\$3,000
f.)	Public Works Building Repairs - Electrical	\$2,500
Total		\$41,800

Transfer Station: The unit, excepting the need to address staffing levels as outlined in the recommendations not approved section below, is operating on a status quo program.

DPW Capital Equipment: We are recommending the replacement of one piece of equipment:

Payloader	\$185,000
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Road Improvement Program: Given the need to accelerate contributions to capital reserve funds, we have not been able to maintain our commitment to a 1% increase in the road improvement budget. We have instead increased by 1.25% or \$10,000. This remains within the overall 5% cap on growth in the capital budget.

Randall Rd (687'), Pave, Shim & Overlay	\$11,000
Ames Rd (634'), Pave, Shim & Overlay	\$10,000
Playground Dr (475'), Pave, Shim & Overlay	\$8,000
Myers Rd (317'), Pave, Shim & Overlay	\$5,500
Crack Sealing – Roads TBD Spring 2015	\$10,000
Chip Sealing: Brae Burn Rd, Countryside La, Susan Ln, Victory Ln, Melly Ln, Buckingham Est Rd	\$50,000
Lee Rd (3,700'), Reclaim Asphalt & Repave	\$160,000
Ossipee Mtn Rd (1,000'), Reclaim Asphalt & Repave	\$135,000
Ossipee Mtn Rd (1,000'), Reconstruction	\$100,000
Intersection of Far Echo Rd & Moultonboro Neck Rd Intersection ¹	
Intersection Shaker Jerry Rd & Wentworth Shores Rd ¹	
Intersection of Old Rte 109 & Rte 25 ¹	
Intersection of Castle Shores Rd & States Landing ¹	\$165,000
Contingency 10%	\$65,500
2015-2016 Engineering	\$90,000
Total	\$810,000

¹ Exactly which intersections will be completed are subject to the negotiations of easements and/or right of way agreements, possible abandonment of curb cuts and neighborhood meetings.

Development Services:

GIS Layer & System: We are proposing to continue our five year build out, now in year three, of our Geographic Information System for approximately \$10,500

Dataset for Roads: Signs, markings, lighting locations including type, date installed or changed, dimensions, detail sheets, shop drawings, photos \$3,400¹

Scanning and Uploading to appropriate parcel's database of all deeds, septic plans, building permits, misc. permits \$6,100

Heritage Overlays \$500

Animal Habitat \$500

Total \$10,500

¹ This is a carryover from 2014. Cartographics (CAI) recommended delaying this work until NHDOT datasets were complete and available to us in order to reduce the cost of the map layer/dataset. This element was replaced with more easily accomplished work products, such as the interactive land use layer (prioritized because of the master plan work), and the electric/telephone poles map layer.

Public Safety:

Fire Department: The budget includes the Paramedic rider for the Stewart's contractor. Any revenue realized from the other towns will flow to unanticipated revenues. It also includes funding for our membership with the Lakes Region Partnership for Public Health. I remain hopeful we might yet be transferred by the state to this region, thus avoiding this \$5,000 cost. Finally it includes \$220,000 for the Initial Attack Apparatus.

Police: The K-9 program expenses have been eliminated in their entirety as discussed at the time of Ronny's retirement. The Corporal's position has been eliminated in keeping with the discussions around the Organization Chart.

Police Capital: We continue with our cruiser replacement program with the purchase of a new utility vehicle at a cost of \$50,500. We anticipate receiving about \$4,000 back in grants to help offset that cost. Once the new fleet is fully transitioned in, these costs will moderate as we will once again be able to re-use much of the add-on equipment.

Community Services Team:

Recreation: We completed the move of the last of the revolving fund eligible items to the tax levy budget in the current Fiscal Year. Beyond the purchase of scheduling software (\$4,000) through the revolving fund and to the adjustment of the wages for seasonal staff (see the Position Classification and Compensation Plan) there are few other changes of note in the general operating budget. However, there are three capital requests of note:

Moultonboro Neck Pathway \$63,500

This completes the retrofit of Phase II and is in keeping with the Town Meeting vote of 2014

which added monies to get to this larger amount.

States Landing Initiative

\$50,000

This will provide us with a design sufficient enough to apply for our various permits for the “land” portion of the redevelopment concepts (\$26k) and allow us to undertake an additional year of work by the neighborhood (\$24k) and lay out a plan for future such work parties while we continue to refine the issues of design and permitting for the dredging and boat launch.

Softball Field Initial Design & Estimates

\$15,000

The third request is for funds sufficient to survey, do the wetlands assessment and lay out a plan to address the softball field. At this time, I am not convinced it needs a complete rebuild as presented to the CIPC. I do believe it may be possible to tackle the issue in smaller steps perhaps even with work forces or volunteers. However, absent the research proposed, I do not believe we can know this to a degree of certainty upon which we might proceed with a lesser or phased rebuild.

VNS: We had initially hoped to reduce this budget this year by some \$15,000 that had been set aside for potential unemployment claims and transition costs. Unfortunately, as we approached the time to wrap-up the budget proposal we received word that several claims had been rejected as the result of an audit of FY 2011. We do not yet know what that amount will be although we think it is in the low to mid four figure range (think \$5k+/-). We will have an opportunity to dispute the demand notice and have begun to prepare to do so. Unfortunately there may yet be further audits and additional demands. Therefore I have included a reserve for possible repayments.

Human Services: The economy has recovered such that we are able to reduce this budget. That said, I do believe the Director may be underestimating the impact of increased electric and wood fuel pricing. Thus I did restore \$10k to the original budget that she sought.

Other Legislative & Administrative Matters

Outside of the budget appropriations I am making several recommendations for changes which require approval from the legislative body or the governing body. These are:

Recommendation #1: Cure the Defect in the Adoption of the Fireworks Ordinance

The ordinance proposed by petition and adopted by the Town Meeting incorrectly identify the days and times to effect the allowance of fireworks on New Year’s Eve. This addresses that in its basic manner.

Recommendation #2: Cure the Defect in the Adoption of Numerous Ordinances

As previously discussed a number of ordinances adopted by the SelectBoard should have been adopted by the legislative body. This addresses that error and corrects a conflict in the Noise Ordinance with the Fireworks Ordinance. Assuming you codify the ordinances as proposed we would bring further corrective language back to the 2016 meeting.

Recommendation #3: Amend the CIPC Charge & Composition

This addresses the timeline for delivery and response, what constitutes “acceptance”, a ranking of relative priorities needed when making capital rationing decisions, and the unintended consequence of the original charge if the Committee should refuse to “consider” a submission.

Recommendation #4: Amend the MPIC Charge and Composition

This addresses suggestions from the MPIC for changes and accommodates future – as of yet unknown – updates.

Recommendation #5 Amend the Fund Balance Policy

This would increase the fund balance from its current 11.5% to 12.5%. DRA recommends a fund balance of 8% to 17%. This is the mid-range of that. As we discussed during the tax rate setting time, we run dangerously close to being in the negative at the lower rate. This will not completely address that situation but it will improve it.

Recommendation #6 Adopt a Position Classification and Compensation Plan

This will include a determination of how and when you will award step increases to elected officials. This will also include a decision with respect to the proposed conversion of the compensation of the Call Firefighter to an hourly rate as proposed herein by the Fire Chief.

Budget Requests Not Recommended

Each year I draw your attention to funds sought but not recommended. This year they are relatively few.

Public Safety:

Police part-time dispatch positions were reduced to 29 hours per week. As discussed last year, you are required to provide access to health coverage to anyone who works 30 hours a week or more on average or for 60 days in a row. That eligibility is based upon the 12 month look back period. It was only when this requirement was deferred from January 1, 2015 to January 1, 2016 that we did not move forward with the cuts in the hours in this fiscal year. However, you must now act to do so in this department and the Transfer Station. A failure to do so could increase health care costs substantially. In fact, in the mistaken impression the new requirement takes effect on January 1, 2015, one employee has already asked for the open-enrollment timetable and Opt-Out payment forms.

Also, the **second cruiser replacement was not recommended** as it could not reasonably be fit into the 5% cap. While it will be some time before we can work our way out of our failure to replace a single cruiser in 2011 I do believe we can yet get the fleet in good shape with a one vehicle each year approach.

Fire was reduced by \$3,500 as the funds sought from the operating budget for **repairs to hydrants and cisterns**. That funding is available in the expendable trust fund set aside for that purpose.

Public Works:

Transfer Station part-time staff has been reduced from 3,200 requested hours to 3,016 hours or two positions of 1,508 hours apiece. The reasons are the same as set forth above relative to the part-time dispatch positions and our liability for health insurance.

Challenges Addressed

Looking Backwards – In Progress or Completed:

Last year we identified several challenges to be addressed during the Fiscal Year or beyond. This is a brief recap of the major items:

❖ **Implement or kill the Communications Technology Fund**

As noted in the FY 2013 submission, “I believe we need to develop a plan to use these funds or dissolve the fund.” It was created in 2007 to “... promote development of communications infrastructure to under developed parts of Town.

In FY 2014 we received technical assistance from the University of New Hampshire to develop build-out plans. That report is now being finalized by the BroadBand Working group for submission in the near future.

❖ **Set a Plan for the Community Substance Abuse Fund**

The SAU has submitted a proposal to use \$10,500 of this fund. I believe substantial questions remain as to whether this is a school or town-wide issue and encourage you to vet this proposal with rigor.

❖ **Insurance Advisory Group:** This 8 member panel was formed to involve the employees to a greater degree on the matter of the cost of health insurance, the so-called “Cadillac Tax” and how it impacts the total compensation package. I believe it was most beneficial to improving the level of understanding of the issues on all sides and encourage its continued existence.

Challenges for FY 2015 & Beyond

Each year we address major issues that we see on the horizon. These have a major impact upon not only your budget but the quality of life within the community.

❖ **Implement a Boat Launch Fee on the Honor System**

Truthfully the mechanics have been generally worked out and we simply had to set it aside to deal with numerous other administrative matters that arose during the year. The Chief and I certainly hope to be able to complete this in time for implementation by Memorial Day of 2014.

❖ **Set Targets and Ceilings for Certain Unresolved Funds**

While the Police chief did complete his analysis of the Police Communications Fund, we have yet to calculate the recommended ARC, target, floor and ceiling for the Dry Hydrant and Cistern

Fund. Once the Fire Chief's work is complete we can wrap it into a proposed financial policy to formalize the entirety of the work of the Town Fellow.

❖ **Explore how to provide sufficient Human Resource capacity to meet our needs.**

Finally, if you want to minimize staff and service reductions while maintaining needed investments in plant and capital you should:

❖ **Explore single stream recycling and privatization of the Transfer Station.**

Estimated Savings: \$75,000+/-